

# **Solano Local Agency Formation Commission**

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December 15, 2004

DEC 2 0 2004

Cathy Houck
Foreperson
2004-2005 Grand Jury
Hall of Justice
600 Union Avenue
Fairfield, California 94533

SOLANO COUTY
GRAND JURY

RE: Solano LAFCo Response to 2003/2004 Solano County Grand Jury Report

Dear Ms. Houck:

Thank you for the opportunity to comment on the 2003/2004 Solano County Grand Jury Report and, more specifically, the findings and recommendations related to the East Vallejo Fire Protection District and the Greater Vallejo Recreation District. The following responses are the views and opinions of the Executive Officer and do not necessarily reflect the position of the Commission.

For future reference, the Solano Local Agency Formation Commission is incorrectly listed in your "Index of Affected Agencies" as a Special District. Solano LAFCo is a legislative body formed directly under the mandate of the State Legislature. Solano LAFCo is responsible for coordinating logical and timely changes in local governmental boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each City and Special District within the County. The Commission's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge; LAFCo must conduct service reviews to evaluate the provision of municipal services within the County.

Grand Jury Findings/Recommendations and Applicable LAFCo Responses

### **East Vallejo Fire Protection District:**

Finding #1 – The current agreement between the EVFPD and the City of Vallejo results in a bill for services (\$417,823) that is less than the cost of providing these services (\$551,507) as estimated by the City of Vallejo. Thus the taxpayers in the City of Vallejo are subsidizing the cost of fire protection services for the taxpayers in the EVFPD.

**Commissioners** 

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Duane Kromm • James Spering • Barbara Kondylis

Alternate Commissioners

John Vasquez • Nancy Shopay • Mary Ann Courville

Staff

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**Recommendation** #1 – The City of Vallejo and the Solano County Board of Supervisors negotiate a new agreement for services that fairly compensates the city for the actual costs of providing Fire protection.

#### **LAFCo Response:**

The LAFCo Executive Officer is in agreement in that the citizens of Vallejo should not be subsidizing fire protection service outside of the corporate limits. Staff feels, however, that the onus is with the City of Vallejo for making certain that they are negotiating for fair reimbursement. To date, the Executive Officer has been informed that the District is not in receipt of a cost analysis by the City for the provision of fire protection services to the District.

Finding #2 – The EVFPD serves an unincorporated urban area almost entirely within the sphere of influence of the City of Vallejo. The EVFPD Board was dissolved ten years ago and the district exists only to pass through tax revenue from the County to the City of Vallejo to fund fire protection services.

Recommendation #2 - The City of Vallejo and the Solano County Board of Supervisors should review the status of the EVFPD with a view toward determining the most equitable and efficient method of providing fire services to these areas. This should be done in conjunction with the LAFCO guidelines which include the following considerations:

- Does the district tailor its services better than a city?
- Does the district link its costs to benefits better than a city?
- Is the district more responsive to its constituents than a city?
- Are there inefficiencies or redundancies?
- Is a district more accountable than a city
- What are the funding mechanisms and would a change reduce existing services?

#### LAFCo Response:

In staff's opinion, the Grand Jury's characterization of the District as a pass through for tax revenue from the County to the City of Vallejo is incorrect. The revenue in question is not that of the County, but of the District. The District is a separate legal entity with its own powers. Further, contracting out for services is an essential element of providing services in all of government.

Solano LAFCo is the primary responsible party for addressing the above questions through Municipal Service Review studies. Service reviews were added to LAFCo's mandate with the passage of the Cortese-Knox-Hertzberg Act in 2000. A service review is a comprehensive study designed to better inform LAFCo, local agencies, and the community about the provision of municipal services. Service reviews attempt to capture and analyze information about the governance structures and efficiencies of service providers and to identify opportunities for greater coordination and cooperation between providers. The service review is a prerequisite to a sphere of influence determination and may also lead Solano LAFCo to take other actions under its authority.

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The service review for Solano County Fire Districts is currently underway. Solano LAFCo has contracted with Emergency Services Consulting in Wilsonville, Oregon for conduct of the service review. LAFCo will keep the Grand Jury appraised of the progress as the process moves forward.

Finding #3 - The Grand Jury received maps of the area comprising the EVFPD from the County, the City of Vallejo and LAFCO. Certain core areas appear on all three maps. However, other areas including Sandy Beach, a section bordering the Napa River north of the Mare Island Strait, an area north of Columbus Parkway, west of Sulfur Springs Creek and an area on the east side of Vallejo bordering the Cordelia Fire District did not appear on all three maps, creating some uncertainty about the areas covered by the EVPFD and the responsibility for paying fire protection services.

**Recommendation #3** - The City of Vallejo and the Solano County Board of Supervisors should ensure that they are in agreement about the contacted area covered by the EVFPD.

#### LAFCo Response:

Solano LAFCo contracts for its mapping services through Solano County. Data for production of these maps are extracted from the Tax Area Codes. Having stated that, the Tax Area Codes can sometimes be incorrect. The County of Solano has thousands of Tax Area Codes. The California State Board of Equalization has a program available to help Counties reduce the number of Tax Rate Area Codes through merger and reclassification. Staff feels that this program would be beneficial to the County and should be explored. In summary, if there is a boundary dispute the affected agencies should bring their concerns forward to LAFCo for our staff to research.

## **Greater Vallejo Recreation District**

Finding #4 - The GVRD was established by a vote of the people and legally authorized on June 14, 1944 and placed under authority of an advisory board. On December 23, 1958 the Solano County Board of Supervisors became the supervising authority to which the existing Board of Directors is responsible. The Board consists of three members appointed by the Mayor of Vallejo and two members recommended by supervisors from District 1 and 2 and approved by the Board of Supervisors.

During the time of the formation of the GVRD, population growth in unincorporated areas was growing dramatically, which spurred the development of parks, recreation, fire, water and other type of districts as cities were much smaller and unable to provide such services. But, as city boundaries expanded, so did their ability to provide services. However, as city boundaries began to expand, they became able to provide additional services and the need for a district within a city began to decrease, especially when the majority of constituents serviced were within the sphere of influence of the city. Comparative cities within Solano County providing similar services are Benicia, Fairfield and Vacaville.

Further exploration of districts within cities finds redundant costs in areas such as legal services, payroll, purchasing, human resources, equipment and maintenance.

**Commissioners** 

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**Recommendation** #4 - During the time when the GVRD was developed in (1944), it was established as the best method to provide parks and recreational needs in the Vallejo area by way of a special district. However, almost 60 years have passed and much has changed. Therefore, the 2003-2004 Grand Jury recommends that the City of Vallejo and the GVRD jointly determine the most efficient and effective method to deliver parks and recreation services to citizens in the current GVRD area. This determination and any action that may change the GARD are within the guidelines set forth by LAFCO.

When conducting this evaluation, the following LAFCO criteria should be considered:

- 1. Does the district tailor its services better than a city?
- 2. Does the district link its costs to benefits better than a city?
- 3. Is the district more responsive to its constituents than a city?
- 4. Are there inefficiencies or redundancies?
- 5. Is a district more accountable than a city?
- 6. What are the funding mechanisms and would a change reduce existing services?
- 7. Refer to LAFCO's District Merger and Establishment of Subsidiary District Procedures Guide.

#### LAFCo Response:

Again, these questions will be addressed through Solano LAFCo's Municipal Service Review of the District. The study for Solano Recreation and Parks is scheduled to begin in FY 2005-2006.

#### In Conclusion:

The Executive Officer is appreciative of the time and effort that the members of Solano County's Grand Jury put into providing recommendations to enhance governmental efficiencies. Our organizations share much in common in seeking the best possible return for every taxpayer's dollar. I would invite the Grand Jury to appoint a permanent contact person for coordination between our two agencies. It would be even more helpful if that contact could attend the regularly scheduled LAFCo meetings.

Let me know should the Grand Jury require additional information.

Sincerely yours,

Shaun S. Pritchard, Executive Officer

cc: East Vallejo Fire Protection District
City of Vallejo, City Manager
Greater Vallejo Recreation District

Solano Local Agency Formation Commissioners

Solano LAFCo Attorney, Scott P. Browne

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